

FISCAL NOTE
SB 2013 - HB 1883

March 15, 2005

SUMMARY OF BILL: Requires an allocation to the Ladies Hermitage Association (LHA) equal to the amount of state and local tax revenue derived from the sale of admissions to the Hermitage Farm, the sale of food and drinks sold on the premises, parking charges, any related services, as well as the sale of souvenirs, memorabilia, and other goods and products sold on the premises. Requires LHA to use proceeds exclusively for preserving and beautifying the property.

ESTIMATED FISCAL IMPACT:

Decrease State Revenues – Exceeds \$60,000
Increase State Expenditures - \$8,250 One-Time

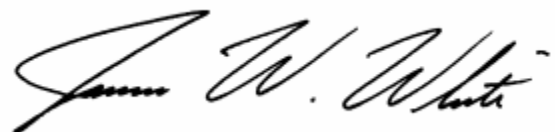
Decrease Local Govt. Revenues – Exceeds \$24,500

Assumptions:

- Allocation equals state sales tax remitted (7.0%) *less* the portion earmarked for purposes pursuant to the tax increases of 1992 and 2002 (1.5%) *plus* local sales tax remitted.
- Hermitage Farm revenues are estimated at \$1.1 million per year.
- State revenue remitted by the Hermitage Farm is estimated at \$77,000 (\$1.1 million X 7% = \$77,000) per year.
- State portion that would be allocated is estimated to exceed \$60,000 (\$1.1 million X 5.5% = \$60,500) per year.
- Local option sales tax rate is 2.25%.
- Local sales tax remitted by the Hermitage Farm is estimated to exceed \$24,500 (\$1.1 million X 2.25% = \$24,750) per year.
- One-time increase in state expenditures for computer programming and software modifications is estimated at \$8,250.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director